

LCB File No. R078-02

**PROPOSED REGULATION OF THE
COMMISSION ON ECONOMIC DEVELOPMENT**

NOTICE OF WORKSHOP TO SOLICIT COMMENTS ON PROPOSED REGULATION

Notice of Workshop to Solicit Comments on the Proposed Regulation
Of the **Nevada Commission on Economic Development**

The **Nevada Commission on Economic Development** is proposing the Amendment and Adoption of regulations pertaining to Chapter 231 of the Nevada Administrative Code. **A workshop has been set for 10:00 a.m., on June 4, 2002, at 108 E Proctor Street, Carson City, Nevada.**

The purpose of the workshop is to solicit comments from interested persons on the following general topics that may be addressed in the proposed regulations:

Updating the regulations to reflect changes in statute.

A copy of all materials relating to the proposal may be obtained at the workshop or by contacting the Nevada Commission on Economic Development. A reasonable fee for copying may be charged.

This Notice of Workshop to Solicit Comments on Proposed Regulation has been sent to all persons on the agency's mailing list for administrative regulation, and will be posted at the following locations:

Nevada Commission on Economic Development, 108 E Proctor, Carson City, Nevada
Grant Sawyer Building, 555 East Washington Avenue, Las Vegas
Office of the Attorney General, 100 No. Carson Street, Carson City
State Library, 100 Stewart Street, Carson City, Nevada

PROPOSED REGULATION OF THE COMMISSION ON ECONOMIC DEVELOPMENT

NOTICE OF INTENT TO ACT UPON A REGULATION

Notice of Hearing for the Amendment of Regulations
of the **Nevada Commission on Economic Development**

The **Nevada Commission on Economic Development** will hold a **Public Hearing at 1:30 p.m. on Wednesday, June 12, 2002, at Humboldt County Courthouse, Commissioner's Meeting Room (Room 201), 50 West Fifth Street, Winnemucca, Nevada.**

The purpose of the hearing is to receive comments from all interested persons regarding the adoption, amendment and repeal of regulations that pertain to chapter 231 of the Nevada Administrative Code.

The following information is provided pursuant to the requirements of NRS 233B.0603:

The proposed deletion of NAC 231.030 and NAC 231.040 is necessary due to the revision of Subsection 2 of NRS 231.139 during the 2001 Legislative Session. The proposed revision of NAC 231.050 is necessary due to the revision of NRS 361.0685.

The text of the proposed regulation is attached to this notice.

The adoption, amendment or deletion of these regulations will not create an adverse or a beneficial economic effect on the public.

There are no immediate or long-term economic effects of the adoption, amendment or deletion of these regulations anticipated with respect to the public.

The Nevada Commission on Economic Development will have no additional costs incurred to administer the regulations adopted. Enforcement of the regulations can be accomplished through present resources at no additional cost.

The proposed adoption or amendment of these regulations do not overlap or duplicate any regulations of other state or local agencies, nor do they overlap or duplicate a federal regulation, nor are they required pursuant to federal law.

Persons wishing to comment upon the proposed action of the Nevada Commission on Economic Development may appear at the scheduled public hearing or may address their comments, data, views, or arguments, in written form, to the Nevada Commission on Economic Development, 108 East Proctor, Carson City, Nevada, 89701-4240. Written submissions must be received by the Commission on Economic Development on or before June 11, 2002. If no

person who is directly affected by the proposed action appears to request time to make an oral presentation, the Nevada Commission on Economic Development may proceed immediately to act upon any written submissions.

A copy of this notice and the regulation to be adopted and amended will be on file at the State Library, 100 Stewart Street, Carson City, Nevada, for inspection by members of the public during business hours. Additional copies of the notice and the regulation to be adopted and amended will be available at the office of the Nevada Commission on Economic Development, 108 E Proctor, Carson City, Nevada, and in all counties in which an office of the agency is not maintained, at the main public library, for inspection and copying by members of the public during business hours. This notice and the text of the proposed regulation are also available in the State of Nevada Register of Administrative Regulations, which is prepared and published monthly by the Legislative Counsel Bureau pursuant to NRS 233B.0653, and on the Internet at <http://www.leg.state.nv.us>. Copies of this notice and the proposed regulation will also be mailed to members of the public upon request. A reasonable fee may be charged for copies if it is deemed necessary.

Upon adoption of any regulation, the agency, if requested to do so by an interested person, either before adoption or within thirty (30) days thereafter, will issue a concise statement of the principal reasons for and against its adoption and incorporate therein its reason for overruling the consideration urged against its adoption.

This notice of hearing has been posted at the following locations:

Nevada Commission on Economic Development, 108 E Proctor, Carson City, Nevada
Grant Sawyer Building, 555 East Washington Avenue, Las Vegas
Office of the Attorney General, 100 No. Carson Street, Carson City
The following Libraries:

CARSON CITY LIBRARY
900 NORTH ROOP ST
CARSON CITY NV 89701

CHURCHILL COUNTY LIBRARY
553 SOUTH MAINE ST
FALLON NV 89406

LAS VEGAS-CLARK COUNTY LIBRARY
833 LAS VEGAS BLVD NORTH
LAS VEGAS NV 89101

DOUGLAS COUNTY LIBRARY
P O BOX 337
MINDEN NV 89423

ELKO COUNTY LIBRARY
720 COURT ST
ELKO NV 89801

GOLDFIELD PUBLIC LIBRARY
P O BOX 430
GOLDFIELD NV 89013

EUREKA BRANCH LIBRARY
P O BOX 293
EUREKA NV 89316

HUMBOLDT COUNTY LIBRARY
85 E 5TH ST
WINNEMUCCA NV 89445

LANDER COUNTY
BATTLE MOUNTAIN BRANCH LIBRARY
P O BOX 141
BATTLE MOUNTAIN NV 89820

LINCOLN COUNTY LIBRARY
BOX 330
PIOCHE NV 89043

LYON COUNTY LIBRARY
20 NEVIN WAY
YERINGTON NV 89447

MINERAL COUNTY LIBRARY
P O BOX 1390
HAWTHORNE NV 89415

NYE COUNTY
TONOPAH PUBLIC LIBRARY
P O BOX 449
TONOPAH NV 89049

PERSHING COUNTY LIBRARY
P O BOX 781
LOVELOCK NV 89419

STOREY COUNTY LIBRARY
P O BOX 14
VIRGINIA CITY NV 89440

WASHOE COUNTY LIBRARY
P O BOX 2151
RENO NV 89505

WHITE PINE COUNTY LIBRARY
950 CAMPTON
ELY NV 89301

STATE LIBRARY AND ARCHIVES
100 N STEWART STREET
CARSON CITY NV 89701-4285

PROPOSED REGULATION OF THE COMMISSION ON ECONOMIC DEVELOPMENT

Note: Matter in *bold italic* is new; matter within brackets ~~[]~~ is to be omitted.

Authority: NRS 231, NRS 361

NAC 231.030 is hereby repealed.

~~[NAC 231.030 Application for certification of business for exemption of percentage of property from taxation. (NRS 231.139)~~

~~—1. A proposed business seeking certification by the commission pursuant to subsection 2 of NRS 231.139 must apply for certification on the form prescribed by the commission not more than 18 months before the business begins operating in this state.~~

~~—2. The commission will deny or approve each application for certification at the first regularly scheduled meeting following receipt of the application if the application is received at least 15 working days before the meeting. An application that is received within that time will be considered at the next regularly scheduled meeting of the commission following the one before which it was received.~~

~~—3. The commission will consider each application on a case-by-case basis.]~~

NAC 231.040 is hereby repealed.

~~[NAC 231.040 Requirements for business to be “consistent with the state plan for industrial development and diversification” for purposes of certification of business for exemption of percentage of property from taxation. (NRS 231.139) For the purposes of paragraph (a) of subsection 2 of NRS 231.139, a business is “consistent with the state plan for industrial development and diversification” if:~~

~~—1. The goals of the business are consistent with the goals of the commission concerning industrial development and diversification;~~

~~—2. The average hourly wage paid by the business to its employees in this state is at least equal to the average statewide industrial hourly wage as established by the employment security division of the department of employment, training and rehabilitation on July 1 of each fiscal year;~~

~~—3. The business provides a health insurance plan for all employees that includes, without limitation, an option for health insurance coverage for dependents of employees;~~

~~—4. The business is registered pursuant to the laws of this state or the applicant commits to obtain a valid business license and any other permit required by the county, city or town in which the business operates;~~

~~—5. If the business primarily will be located in a county whose population:~~

~~—(a) Is 100,000 or more, the business will create at least 50 new, permanent jobs in this state by the last day of the fourth quarter that it is in operation; or~~

~~—(b) Is less than 100,000, the business will create at least 20 new, permanent jobs in this state by the last day of the fourth quarter that it is in operation;~~

~~—6. The business has obtained a statement from the governing body of each local government whose tax revenue will be affected by the exemption that is signed and dated, indicating that:~~
~~—(a) The taxes to be paid by the business if the business is certified are sufficient to pay for any investment required to be made by the local government for services associated with the relocation or expansion of the business, including, without limitation, any cost related to the construction and maintenance of roads, services for the provision of sewer and water, fire and police protection and the construction and maintenance of schools; and~~
~~—(b) The local government is in favor of the exemption and recognizes the potential amount of property of the business which will be exempt from taxation if the commission certifies the business, and the business has provided a copy of the statement to the commission;~~
~~—7. The business has agreed to provide the commission at the end of each fiscal year with proof that the raw material it received during the year contained a significant percentage of its content from material generated within this state;~~
~~—8. If the business is applying for an exemption pursuant to paragraph (a) of subsection 1 of NRS 361.0685, the business agrees to provide the commission at the end of each fiscal year with proof that it is in compliance with the provisions of that paragraph; and~~
~~—9. The business has executed an agreement with the commission that grants the commission the right to review any document which the commission determines is necessary to verify the eligibility of the business for the exemption.]~~

NAC 231.050 is hereby amended to read as follows:

NAC 231.050 Exemption of percentage of property of businesses certified by commission from taxation: Quantity and duration; effective date; commission to forward certificate of eligibility. (NRS 231.139)

1. Unless otherwise agreed to in writing by the governing body of the local government whose tax revenue will be affected by an ~~[exemption]~~ *abatement* granted to a business pursuant to NRS 361.0685 *or NRS 361.0687*:

(a) ~~[Seventy-five]~~ *Up to fifty* percent of the personal property of the business ~~[is exempt]~~ *may be abated* from taxation for *no more than* 10 consecutive years; and

(b) ~~[Seventy-five]~~ *Up to fifty* percent of the real property of the business ~~[is exempt]~~ *may be abated* from taxation for ~~[20]~~ *no more than 10* consecutive years.

An ~~[exemption]~~ *abatement* granted pursuant to NRS 361.0685 *or NRS 361.0687* must not exceed the quantity or duration set forth in this subsection.

2. During any year, if the commission grants an ~~[exemption]~~ *abatement* to a business pursuant to NRS 361.0685 *or NRS 361.0687*:

(a) Between July 1 and December 31, the ~~[exemption]~~ *abatement* applies from the date on which the commission makes such a determination, unless the applicant and the governing body of the local government whose tax revenue will be affected by the exemption agree upon another date and the governing body provides written authorization for that date; or

(b) Between January 1 and June 30, the ~~[exemption]~~ *abatement* may be applied beginning on July 1 of that year, unless the applicant and the governing body of the local government whose tax revenue will be affected by the exemption agree upon another date and the governing body provides written authorization for that date.

3. If the commission grants an exemption pursuant to NRS 361.0685 *or* **NRS 361.0687**, the commission shall immediately forward a certificate of eligibility for the exemption that states the percentage of the property that is exempt to:

(a) The department of taxation; and

(b) The county assessor of each county in which personal property used in connection with the business will be located.